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JS-6

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8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
10 **SOUTHERN DIVISION**

11
12 SECURITIES AND EXCHANGE
COMMISSION,

13 Plaintiff,

14 vs.

15 SAFEVEST, LLC; JON G. ERVIN; and
16 JOHN V. SLYE;

17 Defendants.

Case No. SACV08-00473 JVS (MLGx)

**JUDGMENT OF PERMANENT
INJUNCTION AND OTHER
RELIEF AGAINST SAFEVEST,
LLC**

18
19 The Securities and Exchange Commission having filed a Complaint and
20 Defendant Safevest, LLC ("Safevest") having entered a general appearance;
21 consented to the Court's jurisdiction over Defendant and the subject matter of this
22 action; consented to entry of this Judgment without admitting or denying the
23 allegations of the Complaint (except as to jurisdiction); waived findings of fact and
24 conclusions of law; and waived any right to appeal from this Judgment:

25 **I.**

26 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
27 and Defendant's officers, agents, servants, employees, attorneys, and all persons in
28 active concert or participation with them who receive actual notice of this

Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5, by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant’s officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”), 15 U.S.C. § 77q(a), in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which

1 operates or would operate as a fraud or deceit upon the purchaser.

2 **III.**

3 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
4 Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon,
5 and a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C.
6 § 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). The
7 Court shall determine the amounts of the disgorgement and civil penalty upon
8 motion of the Commission. Prejudgment interest shall be calculated from May 1,
9 2008, using the rate mandated by 28 U.S.C. § 1961 for post-judgment interest. In
10 connection with the Commission's motion for disgorgement and/or civil penalties,
11 and at any hearing held on such a motion: (a) Defendant will be precluded from
12 arguing that it did not violate the federal securities laws as alleged in the
13 Complaint; (b) Defendant may not challenge the validity of the Consent or this
14 Judgment; (c) solely for the purposes of such motion, the allegations of the
15 Complaint shall be accepted as and deemed true by the Court; and (d) the Court
16 may determine the issues raised in the motion on the basis of affidavits,
17 declarations, excerpts of sworn deposition or investigative testimony, and
18 documentary evidence, without regard to the standards for summary judgment
19 contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection
20 with the Commission's motion for disgorgement and/or civil penalties, the parties
21 may take discovery, including discovery from appropriate non-parties.

22 **IV.**

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
24 Consent is incorporated herein with the same force and effect as if fully set forth
25 herein, and that Defendant shall comply with all of the undertakings and
26 agreements set forth therein.

27 **V.**

28 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that

1 paragraphs IV. through XIV. of the Preliminary Injunction entered May 12, 2008
2 (Docket No. 16), which govern the conduct of the receivership in this action, shall
3 remain in full force and effect until further order of this Court.

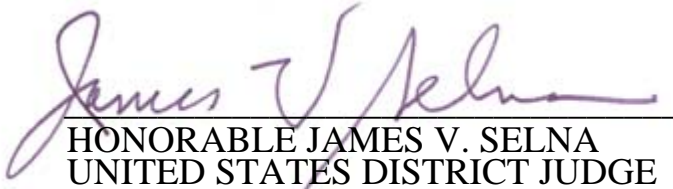
4 **VI.**

5 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this
6 Court shall retain jurisdiction of this matter for the purposes of enforcing the terms
7 of this Final Judgment.

8 **VII.**

9 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
10 Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment
11 forthwith and without further notice.

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13 DATED: April 19, 2010

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15 HONORABLE JAMES V. SELNA
16 UNITED STATES DISTRICT JUDGE
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PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address is:

[X] U.S. SECURITIES AND EXCHANGE COMMISSION, 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036-3648

Telephone No. (323) 965-3998; Facsimile No. (323) 965-3908.

On April __, 2010, I caused to be served the document entitled **JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AGAINST SAFEVEST, LLC** on all the parties to this action addressed as stated on the attached service list:

[X] **OFFICE MAIL:** By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

[] **PERSONAL DEPOSIT IN MAIL:** By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

[] **EXPRESS U.S. MAIL:** Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

[] **HAND DELIVERY:** I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

[] **FEDERAL EXPRESS:** By placing in sealed envelope(s) designated by Federal Express with delivery fees paid or provided for, which I deposited in a facility regularly maintained by Federal Express or delivered to a Federal Express courier, at Los Angeles, California.

[X] **ELECTRONIC MAIL:** By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

[] **FAX:** By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

[X] **(Federal)** I declare under penalty of perjury that I am a member of the bar of this Court and that the foregoing is true and correct.

Date: April , 2010

/s/ Karen Matteson
Karen Matteson

1 **SEC v. SAFEVEST, LLC, et al.**
2 **United States District Court – Central District of California**
3 **Case No. SACV08-00473 JVS (MLGx)**
4 **(LA-3454)**

5 **SERVICE LIST**

6 **Ervin, Jon G. (by U.S. mail only)**
7 Booking Number 0800004063
8 c/o Santa Ana Jail, M-88
9 P.O. Box 22003
10 Santa Ana, CA 92701

11 **John V. Slye (by electronic and U.S. mail)**
12 c/o Michael J. Khouri, Esq.
13 Law Offices of Michael J. Khouri
14 4040 Barranca Parkway Suite 270
15 Irvine, CA 92604
16 Email: jvsimgf@gmail.com
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18 **Thomas A. Seaman, CFA (by electronic and U.S. mail)**
19 Thomas Seaman Company
20 2 Park Plaza, Suite 480
21 Irvine, CA 92614-3512
22 Telephone: (949) 222-0551
23 Facsimile: (949) 222-0661
24 Email: tom@thomasseaman.com
25 ***Court-Appointed Receiver for Defendant Safevest, LLC***

26 **David R. Zaro, Esq. (by electronic and U.S. mail)**
27 Frank Scollan, Esq.
28 Allen Matkins Leck Gamble Mallory & Natsis LLP
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